



DEPUTY CHAIRMAN'S LETTER

DEAR SHAREHOLDERS,

The past year was like no other in our recent memory.

On top of COVID-related remaining restrictions, we also had to deal with two industrial incidents. We express our deepest regret that lives of our employees have been lost. I can assure you that we have provided full support to their families and will do our best to eliminate the causes of such incidents. In fact, we are now putting zero fatalities into the top of our strategic priorities.

I would like to highlight that we have amended our KPIs to bring them more in line with our sustainable development targets. Our corporate governance has been considerably revamped over the past couple of years, raising emphasis on managing sustainable development in line with best international standards.

Despite sizeable operating disruptions in the first half of the year an exceptional commitment displayed by our employees helped us to recover production in the shortest possible time and mitigate an adverse impact on financial performance. The post-Covid economic recovery also provided a tailwind to our business as the

consumption of our products substantially increased following solid demand for metals needed for the transition to green economy. Our revenue was up 15% y-o-y to USD 17.9 billion, while EBITDA increased almost 40% to record high of USD 10.5 billion.

We believe that the more you earn the more you have to share with the communities. That is why we have increased our social expenditures to almost USD 1 billion with a specific focus on a long-term renovation programme of Norilsk's housing and social infrastructure to significantly improve the quality of life of all local communities including indigenous people.

Our environmental program has reached a number of new milestones this year in Kola division, whereas Sulphur project in Norilsk is on track. We have been successful at ramping up our capex this year, which increased 60% year-on-year. Our efforts in supporting expanded capital investment program, give us comfort that we deliver on our new even more ambitious environmental targets.

We also continued to make strong progress on our plans to mitigate climate risk at our production facilities with the establishment of a Permafrost monitoring center in Norilsk as well as position the company for success in a lower-carbon energy future on a global scale. Nornickel is perhaps uniquely positioned as a major mining house to contribute to the greatest existential challenge of the 21st century, namely global warming and its environmental consequences. Our metal basket is critical to support the global transformation to a net zero world and our core growth projects aim to deliver additional volumes of nickel, PCMs and copper to the market.

Despite the geopolitical challenges and uncertainties we face, our strategic goal remains the same: to navigate Nornickel to the premier league of the future green economy and to becoming a leader in sustainability. I would like to thank the Board, Management and all employees across the world for their dedication and hard work in these endeavours.



SERGEY BATEKHIN

Deputy Chairman of the Board of Directors
MMC Norilsk Nickel